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8 UNITED STATES DISTRICT COURT
9 WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

10 STANLEY G. SIMONSON and REBECCA I.
11 SIMONSON, husband and wife,

12 Plaintiffs,

13 v.

14 M/V LUCKY BUCK, Official Number
15 567411, her engines, machinery, equipment,
16 tackle, appurtenances, etc., in rem; M/V
17 SPEEDWELL, Official Number 594754, her
18 engines, machinery, equipment, tackle,
19 appurtenances, etc., in rem; WILLIAM R.
20 ORR and JANE DOE ORR, husband and wife
21 and their marital community comprised
thereof; JOHN KELLEY and JANE DOE
22 KELLEY, husband and wife and their marital
community comprised thereof; GREGORY
THOMAS and JANE DOE THOMAS,
husband and wife and their marital community
comprised thereof; TKO FISHERIES
LIMITED, a Washington corporation,

Defendants.

IN ADMIRALTY

No. 2:17-cv-01724 RAJ

**STIPULATED JUDGMENT AND ORDER
OF FORECLOSURE (M/V LUCKY
BUCK)**

23 Plaintiffs Stanley G. Simonson and Rebecca I. Simonson ("Plaintiffs") have
24 commenced this proceeding for the purpose, among others, of securing a sale at foreclosure of
25 the M/V LUCKY BUCK, Coast Guard Official Number 567411, pursuant to a preferred ship
26 mortgage granted to secure a debt owing to the Plaintiffs. The parties have agreed that the
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*STIPULATED JUDGMENT AND ORDER OF FORECLOSURE
(M/V LUCKY BUCK)
(2:17-CV-01724 RAJ) - 1*

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1 expeditious conduct of that sale is in the interests of all parties, and so have stipulated to the
2 following facts and to the following relief:

3 **Stipulated Facts:**

4
5 1. Defendant TKO FISHERIES LIMITED (“TKO”) executed a Promissory Note
6 in favor of the Plaintiffs, dated April 1, 2011, in the original principal amount of \$2,500,000
7 (the “Note”).

8
9 2. Signature Seafoods, Inc., the sole owner of the M/V LUCKY BUCK, executed
10 a Preferred Ship Mortgage (the “Mortgage”), dated April 1, 2011, encumbering the
11 M/V LUCKY BUCK as security for the obligations evidenced by the Note. The Mortgage
12 was filed at the National Vessel Documentation Center on April 26, 2011 and was recorded in
13 Batch Number 798687 with the Document Identification number 13488355.

14
15 3. The Mortgage encumbered the entirety of the M/V LUCKY BUCK and
16 constitutes a preferred mortgage for purposes of 46 U.S.C. § 31301(6) and related provisions
17 of title 46 of the United States Code.

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19 4. The M/V LUCKY BUCK is within the navigable waters of this district and
20 within the jurisdiction of this Court.

21
22 5. Beginning on or about August 1, 2015, and thereafter, TKO failed to make
23 principal and interest payments due under the Note, and failed to cure that default within any
24 applicable cure period. The unpaid balance of the Note as of April 6, 2018, is \$2,177,893.44,
25 which amount consists of principal in the amount of \$1,625,516.77, interest in the amount of
26 \$440,830.67, and fees and costs recoverable under the Note in the amount of \$111,546.00.

27 The Note accrues interest at a rate of \$541.84 per diem.

1 6. The Court issued a Warrant to Arrest the M/V LUCKY BUCK (Dkt. 8-1) and
2 appointed a Substitute Custodian Docket Entry (Dkt. 9) on November 16, 2017. The United
3 States Marshal arrested the M/V LUCKY BUCK and it has been in the custody of the
4 Substitute Custodian since that date.

5
6 7. Signature Seafoods, Inc., is the current owner of the M/V LUCKY BUCK.
7 After notice, no party other than Signature Seafoods, Inc. has filed a claim of interest in the
8 M/V LUCKY BUCK. The Court has entered an order of default barring the claims of all
9 persons except Signature Seafoods, Inc. against the M/V LUCKY BUCK. (Dkt. 30.)
10

11 8. Plaintiffs have paid all expenses for the preservation and care the
12 M/V LUCKY BUCK since its arrest.

13 **Stipulated Relief:**

14 9. The Mortgage shall be foreclosed upon confirmation of the sale described
15 herein.
16

17 10. The U. S. Marshal shall cause the M/V LUCKY BUCK (including all marine
18 equipment, electronics, machinery, accessions, and appurtenances for thereto; the personal
19 property aboard or used in the operation of the vessel; and all additions, substitutions,
20 replacements, fittings, furnishings, accessions, accessories, supplies, operating manuals,
21 plans, specifications, improvements, and tools therefor or thereto) to be condemned and sold
22 at public auction to the highest and best bidder, the sale to be held alongside the vessel on a
23 date and at a time satisfactory to the U.S. Marshal. LAR 145 shall, to the extent applicable,
24 supply the procedure and terms for such sale, except as otherwise provided herein.
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27 11. At such sale, Plaintiffs will be permitted, but not required, to submit one or
28 more credit bids in amounts not to exceed the then-outstanding unpaid balance owing under

1 the Note, with any bid by the Plaintiffs in excess of such balance to include cash equal to the
2 difference between such balance and the amount of the bid.

3 12. The minimum successful bid at such sale shall be \$500,000. If no bid in this or
4 a greater amount is received at the noticed sale, the U.S. Marshal shall adjourn the sale and
5 shall confer with the Plaintiffs regarding a continuance or cancellation of the sale.
6

7 13. Upon confirmation of the sale and delivery of title to the successful bidder, the
8 U.S. Marshal shall release to the Plaintiffs all cash proceeds generated by the sale for
9 application to the then-outstanding unpaid balance owing under the Note, except to the extent
10 of any cash in excess of such balance, which excess shall be placed with the registry of Court
11 for later distribution. To the extent the Plaintiffs are the successful bidders, the credit
12 component of the Plaintiffs' successful bid shall be applied, upon confirmation and delivery of
13 title of the M/V LUCKY BUCK to the Plaintiffs, to reduce the amount of the then-
14 outstanding unpaid balance owing under the Note.
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17 14. The sale of the M/V LUCKY BUCK at foreclosure will result in the
18 elimination and release of all liens, whether known or unknown, from the M/V LUCKY
19 BUCK in accordance with the general maritime law and will terminate any ownership or
20 other interest in the M/V LUCKY BUCK held or asserted by any person or entity other than
21 the successful bidder.
22

23 15. This Stipulated Judgment (i) is without prejudice to the Plaintiffs' rights to
24 seek in this action the imposition of one or more money judgments against any of the *in*
25 *personam* Defendants for amounts owing under the Note at the time such judgments are
26 sought, as any such amounts may be reduced in connection with any sale of the M/V LUCKY
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1 BUCK and (ii) is without prejudice to any defenses to *in personam* liability under the Note or
2 payment guarantees relating to the Note that might be available to any of the Defendants.

3 16. The Plaintiffs' Complaint in this proceeding also sought foreclosure of the
4 M/V SPEEDWELL. The U.S. Marshal has not arrested the M/V SPEEDWELL, and nothing
5 in this Order shall affect in any respect the Plaintiffs' rights as against the M/V SPEEDWELL.
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7 **JUDGMENT AND ORDER**

8 1. The foregoing shall constitute, as applicable, the Court's findings and
9 conclusions with respect to the matters addressed herein, and the stipulated relief described
10 above shall be incorporated into this judgment as an order and directive of the Court.
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12 2. In connection with the foregoing, the Plaintiffs shall have, and hereby are
13 awarded, a judgment of foreclosure *in rem* against the M/V LUCKY BUCK on the terms
14 described herein.
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16 Dated this 7th day of May, 2018.

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20 The Honorable Richard A. Jones
21 United States District Judge
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